



Dr. St. John Joins Medical Division

Dr. J. H. St. John, Chief of the Department of Internal Medicine at St. Vincent's Hospital, Jacksonville, from 1967 to 1972, recently was appointed Associate Medical Director of the newly-organized Medical Division of Florida Blue Shield and Blue Cross. He becomes the second physician to join the new Medical Division fulltime. The division, which is responsible for providing medical expertise and consultation to all corporate functions where required, is headed by Dr. Thomas M. Irwin.



Dr. St. John

Dr. St. John has been engaged in private practice of internal medicine in Jacksonville since 1951. During this period, he was affiliated with, or served on the staffs of Riverside, St. Vincent's, Baptist and University hospitals, all of Jacksonville.

Born in the Canal Zone, Dr. St. John attended Northwestern University, Evanston, Illinois, and Duke University School of Medicine, Durham, North Carolina, graduating as an M. D. in 1945. His post graduate work included internship and residency in Internal Medicine at Duke Hospital in Durham. He served as an instructor in Internal Medicine at Duke Medical School from 1949-1951. He holds memberships in Alpha Omega Alpha, honorary medical society; the Duval County, Florida and American Medical Associations; the Florida and American Societies of Internal Medicine; and the American Diabetic Association.

Dr. St. John's other professional activities included 15 years service with the Diabetic Clinic of University Hospital, Jacksonville; Chief of the Outpatient Department of St. Vincent's Hospital, Jacksonville, from 1965 to 1967; and

assistant Professor of Medicine (Clinical) at the University of Florida School of Medicine (JHEP). He served with the rank of Captain in the United States Army at the Medical Department Field Research Laboratory, Fort Knox, Ky., where he was involved in research in physiological problems of the foot soldier adapting to extremes of temperature and noise.

General Motors Retiree Group Enrolled

Blue Shield and Blue Cross of Florida are enrolling retired employees and their dependents of the General Motors Corporation residing in Florida effective January 1, 1973. Enrollment has exceeded 7,400 and will continue over the next several months.

These individuals were previously covered under the National Accounts Program, but are now being enrolled under the Florida Plans. Their Florida Blue Shield and Blue Cross Identification Cards will be shown as "U" (Usual, Customary and Reasonable) for their Blue Shield contract and "RE8" for their Blue Cross contract.

While some retired employees are below the age of 65, those over 65 will first use their Medicare benefits. Their private contract then takes over at the point Medicare does not pay. Contract numbers will be the subscriber's Social Security number. Children of retirees are covered under the program to age 19 (age 25 if full-time students).



Medical Assistant's workshop in progress at Jacksonville.

Workshops For Medical Assistants Prove Helpful, Survey Reveals

The series of four-hour workshops being conducted throughout the state to help familiarize Medical Assistants with the various Blue Shield and Federal health coverage programs have drawn good reviews from those doctors' assistants who have attended.

The workshops began in late November and 11 were held through January 1, 1973.

A total of 203 Medical Assistants attended the sessions and each was asked to critique the workshop upon conclusion. Almost half 99 - rated the workshop excellent; 86 rated it very good; 17 classified it good, and one said it was fair. None rated it poor.

Typical comments from those attending were:

"The instructor covered all points. She seemed interested in my problems and willing to help."

"This was a very good program for Medical Assistants in doctor's offices."

"Interesting and informative."

"Well worth my time."

Asked how the workshop might be improved, 53 Medical Assistants — about 25% — felt more than four hours should be allocated to the workshop. Eighteen wanted more specifics covered on Medicare, 17 sought more information on CHAMPUS, and others commented on more time needed for Medicaid, Complementary Coverage, UCR and Relative Values, and question-answer periods. Others suggested workshops devoted exclusively to doctors' specialties. Several recommended the workshops be held in late afternoon or evening since some found it difficult to attend during doctor's office hours. Many commented on keeping the workshops to a limited number. (Each workshop is presently limited to 30.) All recommendations are reviewed for possible incorporation into the overall program.

The workshops, conducted by Susan Munson, Blue Shield Educational Services Representative, are scheduled in other areas of the state beginning in February. The schedule includes Cocoa Beach, Ft. Pierce, West Palm Beach, Orlando and Lakeland. Detailed information on these meetings have been mailed to physicians and their Medical Assistants. Workshops are planned in March for Dade County and Northwest Florida.

The program is an on-going one and hopefully will reach the majority of doctors' Medical Assistants throughout the state.

Average Daily Hospital Cost Up to \$105.30

(WASHINGTON) — The daily cost for a hospital bed in the United States averaged \$105.30 last year — an 11.6% increase over 1971 and almost double the cost six years ago — the American Hospital Association reported. The cost is expected to rise again in 1973.

According to the *New York Times*, an AHA spokesman said hospital prices went down in August, September and October but rose again in November and December, partly because of customarily low occupancy rates at the end of the year. The number of days Americans spent in general hospitals last year, 233 million, was virtually changed from the previous year. This was due to a drop of almost 10% in the number of births, a slightly shorter length of stay in the hospital by an average patient and an increased use of outpatient facilities.

Wage and price controls had a "dampening effect on hospital room rates last year," the *Times* reported, but the 11.6% increase "still was about double the rise officially allowed under the freeze." Under Phase III, wage and price controls remain in force for health services.

AHA President John A. McMahon expressed concern over the continuing controls over health care, however, stating that it might be difficult for the health industry to "obtain and retain" employees if their salaries were more tightly controlled than those of the majority of other workers, the newspaper said.

CHAMPUS Corner

The CHAMPUS claims section offers two suggestions to physicians and suppliers to help speed claims processing and reduce extraneous paperwork.

1. If you will use your Blue Shield code stamp in Item 14a of the claim form (DA Form 1863-2), your claim will be processed faster because it bypasses the coding desk.

2. Only one page of the DA 1863-2 claim form is required by the CHAMPUS department to process your claim. The carbon copies can be retained for your own files as you desire.

A Quick Look at Blue Cross & Blue Shield The Past.... Present.... and Future

(This page is devoted to excerpts from a presentation made by Mr. J. W. Herbert, President, Blue Cross and Blue Shield of Florida, before the House Insurance Committee, Florida House of Representatives, Tallahassee, on January 29, 1973.)

THE PAST

In 1944, the Florida Hospital Association took the lead from other states and through a joint effort of 24 non-profit hospitals developed a prepayment program. The hospitals collected and advanced \$22,052 to Blue Cross to enable the Plan to begin operation. The money was later paid back with no interest charged. That was the financial catalyst that started Blue Cross in operation in Florida.

The actual birth of the Plans, however, was the passing of the Enabling Act authorizing Blue Cross to operate as a non-profit health care Plan under Chapter 641 of the Florida statutes. As written into this Statute, Blue Cross (Blue Shield was added in 1946) and Blue Shield can only operate under the jurisdiction of the Insurance Commissioner for the State of Florida. This decrees that all requests for new contracts or for changes in rates and benefits on existing Florida Blue Cross and Blue Shield contracts will be evaluated by the Insurance Commissioner.

Blue Cross and Blue Shield annually file a report of their operations via the Insurance Department's Annual Statement Blank for Health Insurance. They are also audited at least every third year by an auditing team from the department.

THE PRESENT ..

Because of the dedication of the Plans solely to health care, we believe they have grown remarkably. We have been able to expand benefit patterns and maintain an operating mechanism that today, on an average, puts 92% of all monies received as premium into benefits for our 1,636,557 Blue Cross members and 1,592,894 Blue Shield members.

(Cont. page 4)

For 1972:

The Business of Florida Blue Cross & Blue Shield

Blue Cross and Blue Shield of Florida conduct a major portion of the health care financing of the Florida working man and woman. In this private sector, as we refer to it, Blue Cross paid out in the last 12 months \$104.7 million for hospital care and Blue Shield paid out nearly \$42 million toward doctor benefits.

Protection for Large and Small Florida Firms

Let's take a minute to look at just a few of the larger Florida groups which go to make up our enrollment.

	Members
State Employee Insurance Group	112,452
Dade County Board of Public Instruction	26,117
City of Jacksonville	27,182
Southern Bell	59,088
Publix Markets	12,195

On the other side of the scale is the protection offered small business firms of five or more employees. These figure heavily in our total group volume because we offer the small business man many of the same benefits for basic and Major Medical coverage as we do the large industrial leaders. Presently enrolled groups under 50 number 4,700.

Protection for the Visitor to Florida

In the last 12 months, Florida Blue Cross paid \$31.3 million to Florida hospitals for the care rendered out-of-state tourists carrying ID cards from other Plans.

(Cont. page 4)

The Medicare, Medicaid and CHAMPUS Programs

Medicare

On July 1, 1966, approximately 19 million Americans at one stroke became eligible for government provided benefits. In Florida, 98% of the hospitals elected to have Blue Cross act as the fiscal intermediary between their senior citizen patients and the Federal Government. There is no social change in the annals of American history comparable to the enactment of Medicare, whereby on a given date, such a tremendous number of people became eligible.

Today, Florida Blue Cross is processing more than 665,000 Medicare Part A hospital bills annually. Florida Blue Shield, elected Medicare fiscal intermediary for physician care by the Social Security Administration, is now paying 2,670,000 bills annually. In dollar figures, during 1972, Medicare claims volume in Florida amounted to \$278 million paid for senior citizens hospital care and \$140 million for physician care.

Medicare, of course, is the biggest government health program going. But there are other government programs which Florida Blue Cross and Blue Shield have a part in administering.

Medicaid — (Title XIX)

Florida Blue Cross and Blue Shield administer claims for the medically indigent over 65 years of age. Claim volume last year totaled over 194,000 amounting to \$3.1 million.

CHAMPUS

This program, which covers dependents of active military members, as well as military widows and dependents and retired military personnel and their families, had a claim volume of 135,713 bills in Florida last year which amounted to \$12.6 million.

A Quick Look (Cont.)

The Plans now provide protection for 22 % of the State's population, 27% of this through individual and family memberships and 73% through payroll deducted employee groups. Over 210,000 Florida senior citizens are also protected by our Complementary Coverage contract which supplements Medicare benefits.

The breakdown of membership for the state is as follows:

State Employees Group (including dependents) . .	112,452
Direct Payment Members (including dependents) . .	234,977
Total Group Members (including dependents) . . .	1,196,468
Federal Employee Group Members (including dependents)	148,839
Complementary Coverage Members (including dependents)	210,112

THE FUTURE

With one out of every three Americans protected by the 74 Blue Cross and Blue Shield Plans across the country, we believe the knowledge and experience that we have accumulated will be helpful in planning for future health care in Florida. We will be pleased to make our experiences available to the legislature of Florida.

Blue Cross & Blue Shield Business (Cont.)

Through an Inter-Plan Bank System, we were reimbursed this money in much the same way a bank's clearing house would handle the transaction. It is important to know that Florida's Blue Cross Plan is making this amount of money available to the state's health care economy.

Number of Employees

The day to day servicing of 1,600,000 Florida members and approximately 1,000,000 Floridians covered under government programs requires 2,315 employees statewide. There are 2,084 employees located in our home office in Jacksonville and 231 comprise our branch office personnel located in 18 municipalities throughout the state. One of the features of Blue Cross and Blue Shield that the buying public likes is that our men and women in these branch office locations are knowledgeable in all our programs and consequently are able to give assistance on a local basis when a claim or billing problem arises.

Two Voluntary Boards

Blue Cross receives its direction from a voluntary unpaid Board of Directors. There are 25 members on the Board with eight representing the public, 13 representing hospitals and three representing medicine. Blue Shield's board likewise serves without remuneration, and it is made up of 22 members. Thirteen are doctors of medicine and eight represent the public. One represents hospitals.

Consolidated Payments To Doctors' Groups

Occasional questions have been asked about Blue Shield's procedure of making one consolidated payment to a practicing group of physicians when more than one physician in the group has rendered services to the same patient.

Instead of issuing separate checks, a consolidation is made on a weekly basis and one check may be sent to the physicians' group for services performed for a patient by different doctors within the group.

Attached to the check is a complete accounting of the amount paid toward the claim — by patient's name, service performed, and the amount paid to each doctor within the group who has rendered services to that patient.

This is another way Blue Shield of Florida hopes to reduce added paperwork and mailing costs. It is felt that physicians, when fully accustomed to the system, will prefer it, too.

State Group Claims Clarification Noted

The State of Florida Employees' Group, discussed in detail in the October, 1972, issue of **Notes From Blue Shield**, has become the largest single group to be enrolled by Blue Shield and Blue Cross. Membership of this group, including dependents, now exceeds 112,000.

Administration and claims handling for this group generally has progressed smoothly. However, there appears to be one point of clarification needed by doctors and subscribers.

Large numbers of claims have been received from doctor's offices seeking payment for office visits and outpatient diagnostic x-rays or laboratory work for members of the state group. Under the **basic** Blue Shield contract for this group, except for emergency x-rays accomplished within 72 hours of an accident, this type of service is not payable. Services of this type **may be covered** under the Major Medical (or Supplemental) portion of the state group contract after certain deductibles are met. However, the patient himself must file the Major Medical claim.

From Around The State

(KEY WEST) — Dr. Jaime Benavides has been reelected president and chief of staff of Florida Keys Memorial Hospital. The medical staff also reelected Dr. Joseph J. Scarlet as vice president, and Dr. Robert Carraway as secretary-treasurer.

(MOUNT DORA) — Dr. C. Robert Crow has been elected president of the medical staff at Waterman Memorial Hospital in Eustis. Other officers include Dr. Neal A. Robinson, vice president; Dr. William W. Conner, secretary-treasurer.

Your Toll Free Physician Information Phone System
Number Is 1-800-342-2324